

THE COUNTY BULLETIN

And Uniform Compliance Guidelines

ISSUED BY STATE BOARD OF ACCOUNTS

Vol. No. 358

January 2007

REMINDER OF ORDER OF BUSINESS

January

- 1 Happy New Year! - Legal Holiday (IC 1-1-9-1)
- 15 "Assessment Date" for mobile homes as defined in IC 6-1.1-7-1. (IC 6-1.1-1-2)

Last date to make pension report and payment for fourth quarter of 2006 by counties participating in Public Employees' Retirement Fund.

Legal Holiday - Dr. Martin Luther King, Jr. Day (IC 1-1-9-1)
- 16 Last day that township boards meet to consider 2006 Annual Reports of township trustees - third Tuesday after the first Monday (IC 36-6-6-9)
- 20 Last date to report and make payment of State Income Tax withheld in December to Indiana Department of Revenue. (IC 6-3-4-8.1)
- 26 Last day for township trustees to file annual reports and vouchers with County Auditor. [IC 36-6-4-12(d)]
- 29 Make distribution of interest on congressional and cemetery funds - last Monday in month. (IC 20-42-2-7) (IC 23-14-70-3)
- 30 File 2006 Annual Financial Report with State Board of Accounts. (IC 5-11-1-4)
- 31 Last day to file Form 100-R, Report of Names and Compensation of Officers and Employees with the State Board of Accounts. (IC 5-11-13-1)

Last date to file quarterly unemployment compensation report with the Department of Workforce Development.

Last date to convene a meeting of the local board of finance in order to elect a president and a secretary and review investment report from county treasurer. (IC 5-13-7-6)

Last day to provide each employee with a W-2.

Last day to file quarterly report for the last quarter of 2006 with Internal Revenue Service.

Last day for the board of county commissioners and county council to meet to organize and elect officers for the year 2007.

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REMINDER OF ORDER OF BUSINESS
(Continued)

February

- 12 Legal Holiday - Lincoln's Birthday (IC 1-1-9-1)
- 19 Legal Holiday - Washington's Birthday (IC 1-1-9-1)
- 20 Last date to report and make payment of State Income Tax withheld in January to Indiana Department of Revenue. (IC 6-3-4-8.1)

March

- 1 Annual assessment period begins, except mobile homes. (IC 6-1.1-2)
- 20 Last day to report and make payment of State Income Tax withheld in February to Indiana Department of Revenue. (IC 6-3-4-8.1)

WELCOME TO NEW OFFICIALS

To those officials who are taking office January 1, 2007, we wish to welcome you. Please feel free to contact this office at any time and we will try to help you in any way we can. The telephone numbers for the State Board of Accounts are as follows:

County Supervisors (317) 232-2512
Front Desk (317) 232-2513

THANKS AND BEST WISHES

To all of those county officials who are leaving office, we wish to express our sincerest thanks and appreciation for the kindness and cooperation shown to this board, our supervisors and our field staff. We wish you the very best in your future endeavors!

OBSOLETE VOLUMES

All articles from Volumes 311 and earlier of *The County Bulletin* have now been updated and are no longer applicable; thus Volumes 311 and earlier may be deleted from your file.

A complete index to *The County Bulletin* is included for your reference.

SOCIAL SECURITY TAX BASE CHANGES JANUARY 1

The 2007 contribution rate will remain at a total of 15.3 percent. The tax rate for both employees' and employers' shares for 2007 will be 7.65 percent (6.2% of Social Security and 1.45% Medicare).

The maximum amount of earnings that will be subject to Social Security contribution will be raised from \$94,200 to \$97,500 effective January 1, 2007.

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SOCIAL SECURITY TAX BASE CHANGES JANUARY 1 (Continued)

Please contact the Internal Revenue Service at 1-800-829-1040 if you should have any questions on this matter.

NEW FEDERAL MILEAGE RATE

Effective January 1, 2007, the federal mileage rate will be increased from 44 ½ cents to 48 ½ cents per mile. The State rate for mileage is 40 cents per mile.

ENCUMBERED APPROPRIATIONS

Whenever a valid appropriation has been lawfully encumbered by a contract or by the issuance of a purchase order, the appropriation to the extent of the encumbrance may be carried forward to the succeeding year and made available for payment of the obligation which encumbered it. Only so much of the appropriation as is lawfully encumbered may be carried forward. All appropriations not lawfully encumbered by contract or purchase order revert at the close of the year.

STATEMENT OF WAGES AND COMPENSATION

We remind county auditors to publish a statement of wages and compensation. Please review IC 36-2-2-19 for requirements.

At its second regular meeting each year, the executive shall make an accurate statement of the county's receipts and expenditures during the preceding calendar year. The statement must include the name of and compensation paid to each county officer, deputy, and employee. The executive shall post this statement at the courthouse door and two (2) other places in the county and shall publish it in the manner prescribed by IC 5-3-1.

RATES FOR LEGAL ADVERTISING

The rates for legal advertising did not change for calendar year 2007. IC 5-3-1-1 does not authorize any change in legal rates after December 31, 2005. Therefore, publishers of qualified publications should charge in accordance with the 2005 rates published in County Bulletin, Vol. 349 from January 2005.

DEPOSIT OF PUBLIC FUNDS

The depository law in IC 5-13-6-1 provides that all public funds paid into the treasury of any political subdivision shall be deposited not later than the business day following the receipt of funds on business days of the depository in one or more depositories in the name of the political subdivision. It is extremely important that the provisions of this law be strictly followed.

IC 5-13-14-3 provides in part: "A public officer who knowingly fails to deposit public funds, or knowingly deposits or draws any check against the funds except in the manner prescribed in this article, commits a Class B felony and is liable upon his official bond for any loss or damage which may accrue." Public funds deposited shall be deposited in the same form in which they were received.

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DEPOSIT OF PUBLIC FUNDS (Continued)

All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

APPROVED DEPOSITORIES

A list of approved depositories may be found on the website of the Indiana Board for Depositories at <http://www.in.gov/deposit/AppDep.htm>. Any questions concerning the approved status of any depository listed or whether or not a new financial institution not listed is eligible should be directed to the Treasurer of State's office at (317) 232-6386.

TAX LIABILITY UNDER TWENTY-FIVE DOLLARS (\$25)

A county council may adopt an ordinance to require a person to pay his property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars (\$25). If the county council has adopted such an ordinance, then whenever a tax statement mailed shows that the person's property tax liability for a year is less than twenty-five dollars (\$25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year (IC 6-1.1-7-7 and IC 6-1.1-22-9). The ordinance adopted by the county council should designate which property tax (real estate, personal, or mobile home) the payment applies to. A single ordinance requiring all three types to be paid by May 10 would be proper.

A property tax liability of less than five dollars (\$5) is increased to five dollars (\$5). The difference between the actual liability and the five dollar (\$5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability.

DISABLED VETERAN OR HIS WIDOW - CREDIT AGAINST LICENSE EXCISE TAX

A disabled veteran or his widow is entitled to a credit against the annual license excise tax pursuant to IC 6-6-5-5(b), which states:

"A person who owns a vehicle and who is entitled to a property tax deduction under IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-16, or IC 6-1.1-12-17.4 is entitled to a credit against the annual license excise tax as follows: Any remaining deduction from assessed valuation to which the person is entitled, applicable to property taxes payable in the year in which the excise tax imposed by this chapter is due, after allowance of the deduction on real estate and personal property owned by such person, shall reduce the annual excise tax in the amount of \$2.00 on each one hundred dollars(\$100) or major portion thereof. The county auditor shall, upon request, furnish a certified statement to the person verifying the credit allowable under this section and the statement shall be presented to and retained by the bureau to support such credit...." (Our Emphasis)

It is important to note from the underscored wording that deductions apply as follows:

1. The veteran's deduction shall be first applied to real estate and personal property of the applicant. Any balance of the deduction remaining may be applied against license excise taxes.

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DISABLED VETERAN OR HIS WIDOW - CREDIT AGAINST LICENSE EXCISE TAX - (Continued)

2. The deductions applied to excise taxes shall be for the taxes payable in the same year the property taxes are due and payable. Thus, a disabled veteran or his widow that files his or her application for deduction with the County Auditor against taxable real or personal property for which taxes are due and payable in 2007, may apply any balance remaining of his deduction only against license excise taxes payable in 2007.

MONTHLY REPORTS OF COUNTY TREASURER AND CLERK OF THE CIRCUIT COURT

Pursuant to the provisions of IC 36-2-10-16 and IC 33-32-3-6, the county treasurer and clerk of the circuit court are each required to file a financial report with the county auditor not later than the sixteenth (16) day and twenty-fifth (25) day, respectfully, of each month. The report is to be prepared in quadruplicate, one copy of which is to be forwarded immediately by the county auditor to the State Board of Accounts.

In connection with these reports, we wish to impress upon you that it is the duty of the county auditor to see that the reports are presented monthly to the board of county commissioners.

VETERANS BURIAL ALLOWANCE

The board of county commissioners may allow for the claim of a burial allowance not to exceed one thousand dollars (\$1,000) in an amount set by ordinance for the burial of an individual who:

"....(A) has served as a member of the armed forces of the United States as a soldier, sailor, or marine in the army, air force, or navy of the United States or as a member of the women's components of the army, air force, or navy of the United States, is a resident of Indiana, and dies while a member of the armed forces and before discharge from the armed forces or after receiving an honorable discharge from the armed forces; or

(B) is the spouse or surviving spouse of a person described in clause (A) and is a resident of Indiana..." IC 10-17-10-1

The claim must be filed by an interested person with the board of county commissioners of the county of residence of the deceased person and state certain facts; such as, the military service rendered, date of death, and date of discharge (if discharged from service before death), and that the deceased has been buried.

SALARIES - CHANGES IN

IC 36-2-5-13 requires the county council to approve any change, up or down, in salaries (as set out in the salary ordinance) set per IC 36-2-5-3. The process to change a salary would require application to the county council by the affected officer, department, commission or agency and a majority vote of the council.

This would apply to all county employees' salaries except elected county officers, whose compensation may not be changed in the year for which it is fixed.

Any raise in salary may require an additional appropriation to fund such a raise. The requirements for obtaining an additional appropriation would also have to be met in those circumstances.

HANDGUN LICENSES

IC 35-47-2-3 requires the law enforcement agency which accepts an application for handgun license to collect the following application fees:

- (1) From a person applying for a four (4) year handgun license, a ten dollar (\$10) application fee, five dollar (\$5) of which shall be refunded if the license is not issued.
- (2) From a person applying for a lifetime handgun license that does not currently possesses a valid Indiana handgun license, a fifty dollar (\$50) application fee, thirty dollars (\$30) of which shall be refunded if the license is not issued.
- (3) From a person applying for a lifetime handgun license who currently possesses a valid Indiana handgun license, a forty dollar (\$40) application fee, thirty dollars (\$30) of which shall be refunded if the license is not issued.

Such fees are to be deposited into the law enforcement agency's firearms training fund or other appropriate training activities fund and used by the agency to train law enforcement officers in the proper use of firearms or in other law enforcement duties, or to purchase firearms or firearm related equipment, or both for the law enforcement officers employed by the law enforcement agency.